Party Fragmentation and Presidential Elections in Post-Communist Democracies

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Abstract

Theory: Despite its controversial status as a stable governmental form, many of today's societies attempting to make the transition to democracy have or will, for a variety of reasons, choose presidentialism. Meanwhile, the evidence suggests that the combination of presidentialism and multipartism is especially dangerous for democratic stability (Mainwaring 1994). The question this essay addresses, though, is whether presidential elections themselves serve to encourage a fragmented party system, at least in the initial stages of democratization.

Hypothesis: In transitional political systems presidential elections encourage party fragmentation, but in a way different from that of highly proportional purely parliamentary mechanisms. Specifically, parties proliferate to support the presidential aspirations of political elites.

Methods: Multivariate regression analysis on cross-sectional aggregate electoral data, supported by extensive outliers diagnostics and assessments of the role of country-specific effects. A nested model is used to discriminate among the secondary hypotheses. Controls include: parliamentary election rules (district magnitude, threshold for representation, adjustment districts, ballot structure), relative timing of presidential and parliamentary elections, and basic societal cleavage structure.

Results: Using as our data source the recent experiences of Central Europe and the European part of the former Soviet Union, we show that presidential elections consistently significantly increase party fragmentation. At the same time, the data are consistent with the hypothesis that presidentialism does encourage the overall consolidation in party systems through voters' abandonment of some parties, akin to Duverger's 'psychological effect.'

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Although we might dispute specifics, there is clear evidence that presidentialism has not been a notably successful democratic governmental form, at least in comparison to parliamentary systems: "the analytically separable propensities of presidentialism ... work to impede democratic consolidation (Stepan and Scatch, 1993; see also Linz 1994, but see Horowitz 1992). A variety of explanations have been offered for this fact, but perhaps the most compelling is the one offered by Jones and others; namely that "While the optimal number of parties ... can be debated, once the presidential form of government is chosen there can be no debate. High levels of multipartism most often lead to disastrous consequences" (Jones 1995, p. 10; see also Mainwaring 1993, Mainwaring and Scully 1995). But generally these explanations treat presidentialism and multipartism as independent characteristics of a polity in which the extent of party fragmentation depends on other variables such as the magnitude of legislative election districts, the timing of presidential and parliamentary elections, underlying social cleavages, and the extent to which parliamentary elections aspire to perfect proportionality (Rae 1971, Lijphart 1994, Taagepera and Shugart 1989, Ordeshook and Shvetsova 1994, Cox 1997). What is less well understood is the relationship itself between multipartism and direct election of a president. Of course, the relationship that first suggests itself is the one set forth by Duverger (1954); that the majoritarian methods inherent in the direct election of a president should have a consolidating influence on parties. This inference, though, implies something that seems at odds with the data; namely, that presidential systems should contain within themselves a corrective for whatever other disadvantages they possess. Here, in fact, we argue that the impact of direct presidential elections in at least transitional democratic states will be to increase multipartism and, thereby, render presidentialism especially vulnerable to disruption in the early stages of transition. Despite the fact that Duverger's (1954) arguments about party consolidation and the influences of

majoritarian electoral systems appears to apply best to a governmental form that requires competition for the prize of a singularly important office, there are reasons for believing that those arguments need not apply to transitional democratic systems. Even if we allow for the possibility that the choice of majority over plurality rule might attenuate the consolidating influence of direct election of president (Cox 1997), those arguments, along with their formal theoretical elaborations (Palfrey 1989, Fedderson 1992), focus on political systems in equilibrium rather than on the paths to equilibria. Most such theoretical work looks only at systems characterized by voters with well-established expectations about the viability of new parties and with reasonably well-defined preferences over policy, as well as by political elites who know the issues that concern voters and patterns of electoral preference over those issues. But transitional democracies, by definition, do not satisfy these preconditions. Similarly, most comparative empirical assessments of the impact of election laws on party structures (see Rae 1971, Lijphart 1990, 1994, Ordeshook and Shvetsova 1994, Taagepera and Shugart 1989, Shugart and Carey 1992) employ data from stable political systems or systems that have been in operation for some time. Typically, such analyses discard data from elections immediately following establishment of a new regime or give equal weight to all data in some long sequence of elections, thereby compromising their relevance to transitional democracies. Thus, neither theoretical nor empirical research resolves the issue of whether the influence of presidentialism in the form of direct presidential elections is `monotonic' -- whether it induces party consolidation at every stage of democratic development or whether it can, during the crucial early stages of it, retard party consolidation by encouraging more parties and candidacies than we might otherwise expect were the system a purely parliamentary one.[1] This concern is important since many of the states attempting to become democracies have, for various reasons, implemented a directly elected president. Those states cannot look to `long run equilibria' but must worry instead about the current structure of parties and the impact of that structure on stability. This concern is important also because its resolution may shed light on the ongoing debate between proponents of presidentialism and parliamentary

[1] Throughout this essay we generally equate `presidentialism' with political systems with a directly elected (i.e., non-legislatively appointed) head of state. Although the common definition of a presidential or mixed system considers other institutional variables (see, for example, Shugart and Carey 1992), our concern is with electoral incentives to the party-creating elites, and we do not discriminate among the variety of presidential, semi-presidential, and parliamentary power allocations compatible with the directly elected office of the president.

government. If presidentialism is an unstable governmental form when combined with fragmented parties and if the path to party consolidation under it passes through a period of fragmentation that exceeds what we might expect, *ceteris paribus*, under a parliamentary form, then we can reasonably hypothesize that the comparative stability of presidential regimes depends critically on whatever other institutional choices can be made to encourage party consolidation.

1. Some Initial Evidence

Before proceeding too far, however, it is useful to take a quick look at some data in evidence of the proposition that direct presidential elections do not encourage party consolidation. Consider, in particular, those post-communist Central European and ex-Soviet states that have most recently attempted the transition to democracy (see the Appendix for the countries and elections in our sample, data sources, and a description of the coding and calculation of various key variables). If we simply regress a count of parties (the number with at least one percent of the vote in a parliamentary election) against a dummy variable that indicates whether the country has direct presidential elections, then for at least this sample of countries, we find a significant **positive** relationship between direct election of a president and the number of parties. Specifically, if we let N = number of parties with at least 1% of the vote in a parliamentary election and P = 1 if there is a directly elected president and 0 otherwise, then we get (t-statistics in parenthesis),

$$N = 9.5\ (11.4) + 3.2\ (2.8)P,$$[2]

with an adjusted R^2 of .17. This relationship, moreover, does not disappear if we control for the variables usually considered in empirical studies of the relationship between election laws and party fragmentation -- the magnitude of legislative electoral districts (D), the presence or absence of adjustment districts (AD), and societal heterogeneity (H) -- or if we use the more common measure of party fragmentation, the `effective' number of parties, EN.[3] As Table 1 shows, a directly elected

[2] The data analysis presented in this paper was conducted using the SST package. In this and all subsequent regressions we computed heteroskedasticity-consistent standard errors using White=s (1980) method.

[3] Following Ordeshook and Shvetsova's (1994) analysis of the effects of ethnic heterogeneity, H, on the number of parties, along with Neto and Cox's (1997) reconfirmation that an interactive model best fits the data and theory, Table 1 incorporates H by multiplying it times ln(D).

president has its own positive and highly statistically significant influence on the number of parties that compete for legislative seats.

Of course, the number of observations in Table 1 is not great (n = 34). And since most countries in our sample are represented by more than one observation, one could suppose that the statistical pattern portrayed there can be influenced by the idiosyncratic characteristics of countries (i.e., country-specific effects), other variables (e.g., the timing of presidential and legislative elections and the rules for electing a president[4]), and endogenous institutional selection (i.e., an existing proto-party system that influences the choice of presidential versus parliamentary governmental forms). In fact, though, the coefficients for *P* in Table 1 are relatively robust. For example,

- If, to eliminate the country-specific effects allowed by multiple observations from each country, we take only one election per country (the second, because ›founding‹ elections are considered suspect due to their plebiscite nature) we get

  N = 6.2 (6.1) + 3.4P (4.0) + .35D (6.1), (t-statistics in parentheses),

  adjR^2 = .74. Even though this regression considers only 12 observations, the coefficient on *P* remains positive and significant.
- An alternative treatment of country-specific effects is to include country-specific dummy variables. But here we encounter the problem that such variables are highly correlated with *P* since most countries do not switch between regime types. As a substitute, we can consider several alternative by-country partitions of the data. Table 2, which considers only Central European states (i.e., excludes the five ex-Soviet republics in our sample -- Russia, Ukraine, Armenia, Moldova and Georgia, but not the Baltic states) reports the result of one such partition, and shows that as before, the coefficient on *P* remains positive and significant.

[4]All countries in our sample use majority with a runoff, so we cannot examine the influence of this institutional characteristic versus the alternative of simple plurality rule (e.g., as in Taiwan). However, the systems in our sample do differ to the extent that some (e.g., Russia), use two separate ballots for electing the national legislature -- one for the single member constituencies and one for those elected on party lists. If we let *TB* be a dummy variable that indicates simultaneous use within an electoral system of PR and single-member districts, then we get

$$N = 5.4\ (3.8) + 3.5P\ (4.1) + .30D\ (3.3) + 3.1AD\ (2.7) - .81TB\ (-.6),$$

and adjR^2 = .41 (t-statistics in parentheses). So as with our other tests of robustness, the coefficient on *P* remains positive and significant despite this additional control.

- Both Shugart and Carey (1992) and Neto and Cox (1997) suggest the importance of the timing of presidential versus parliamentary elections. Presumably, if direct presidential elections are consolidating, that consolidating influence should be greatest when elections are concurrent. In our sample of countries, though, states with concurrent elections actually have a higher average number of parties. Indeed, even though meaningful statistical comparisons are precluded by the size of our data set, even after we control for *D* and *AD*, the coefficient on *P* is greatest for concurrent systems (4.7 versus 2.8).[5]
- We should not wholly dismiss the argument (see, for example, Gebethner 1996) that prior political formations are important determinants of the choice between presidentialism and parliamentary government. But insofar as our sample is concerned, the initial bargaining over institutional forms took place most commonly between ruling communists and a relatively unified democratic opposition. In general the choice to elect a president directly was made before the two sides to these negotiations divided and recombined into what we now identify and count as `parties.' Sometimes, as in Poland, Bulgaria, and Russia, it was supported by the reform forces as a method of transferring power from the communists, while in Ukraine, Armenia, Georgia and Slovenia it was to add legitimacy to the bid for independence.[6] Moreover, these early institutional choices tended to be resistant to change, as seen in the failed 1997 Slovak campaign to introduce direct presidential elections and the 1995 Albanian constitutional referendum on strengthening presidential power.

An important issue is that of what we mean by a ›party‹ in the context of post-communist transitions. The concept of a party there is difficult to pin down or to distinguish from a `movement',

[5] More specifically, defining $CP + NCP = P$, where *CP* takes the value of 1 when presidential elections were held concurrently with parliamentary, and *NCP* takes the value of 1 when presidential elections were non-concurrent, the resulting model is:

$$N = 4.9(3.1) + 4.7CP(3.5) + 2.8NCP(2.9) + .32D(3.2) + 3.3AD(2.7),$$

adjR^2 = .43 (t-statistics in parentheses). The test of restrictions does not allow us to reject a hypothesis that the two coefficients are equal. In any case, the consolidating influence of concurrent elections is not found in the transitional sample, while the conclusion opposite to it might be supported in the future by more extensive data.

[6] At times, the decision was arrived to almost by chance. In Hungary, where presidential elections were sponsored by reform communists, a popular referendum approved directly elected presidency, but fell short of the turnout requirement.

`faction', or `association'. To explore in depth the varied meaning of ›party‹ in transitional polities, a coherent collection of case studies would be required. However, because our concern is primarily with political entrepreneurial strategies, we can use the simplest definition of multipartism--as a degree of political fragmentation as it is manifested on the ballot and in the vote. Additionally, there is also the problem of regime classification. Moldova, for example, is a country where presidents are elected directly. But even though its first presidential election took place before its only parliamentary election to-date, it was of a one-candidate kind and could not ignite the elite competition. The decision that we make (to code Moldova as a country with presidential elections) is based on the general assumption that eventual competitive election would most likely have been anticipated by political elites at the time of a parliamentary campaign. Unable to include a more in-depth case discussion here, we proceed with a further analysis of the cross-country data, and consider several alternative explanations for why popular presidentialism in general might initially retard party system development, regardless of the form of government -- explanations that allow for some subsidiary testable implications.

2. Coordination in Transitional Parliamentary Elections

Insofar as we can summarize the conclusions we reach in this essay, we note that although we do not debate whether a presidential or parliamentary system is most suitable for a transition to democracy (see instead Linz and Valenzuela 1994, Linz 1990, and Horowitz 1992), as a partial explanation for presidentialism's spotty record we do question whether direct presidential elections should be expected to encourage party consolidation in the initial stages of a transition. We argue that the coefficients in Tables 1 and 2 are not statistical artifacts and that direct election of a president will, in general, encourage the proliferation of parties over and above what one would expect were we to look only at parliamentary electoral incentives. On the other hand, our analysis does reveal that the precise character of that proliferation is not inconsistent with a more complex conceptualization of consolidation -- a conceptualization that allows for the simultaneous increase in the absolute number

of parties but a decrease in the number of strong contestants reflected by a decline in the `effective' number of parties.

To understand how a directly elected president might impede the process of party consolidation in a transitional democracy, recall that Duverger's (1954) argument about the consolidating influence of majoritarian electoral laws rests on two pillars: (1) voters who cast strategic ballots because they are unwilling to waste their votes on candidates or parties who cannot win, and (2) party leaders who believe that merging their political organizations improves their chances for electoral success. Nearly by definition, though, neither of these pillars exerts much force in a transitional democracy. The first pillar makes its contribution only if the following four conditions are satisfied: (1) voters must be able to rank-order candidates or parties to form consistent preferences or at least be able to distinguish between acceptable and unacceptable alternatives; (2) there should be some minimal level of agreement as to which parties or candidates have a reasonable chance of ›winning‹ and which do not; (3) at least for the viable and acceptable alternatives, a voter needs to have some confidence in his or her ability to rank the candidates from most-likely-to-win to least-likely-to-win; and (4) voters need a relevant definition of what ›winning‹ means. There are other requirements that might not be satisfied in a transitional democracy, such as an understanding of the operation of electoral rules, but to see some of the problems of strategic voting when the preceding four conditions are not met, suppose an election among three candidates, A, B, and C, is decided by simple plurality rule and suppose each voter has one of three possible preferences:

	type 1	type 2	type 3
1st preference	A	C	B
2nd preference	B	B	C
3rd preference	C	A	A

If everyone knows everyone else's preferences, and if, say, they know that 45% of the electorate is of type 1, 40% of type 2 and 15% of type 3, then it seems reasonable to suppose that, unless they are

nearly indifferent between A and C, type 3 voters will vote strategically for C. Otherwise, under plurality rule, their last choice, A, wins. Type 2 voters (those who most prefer C) might contemplate casting a strategic ballot for B, but the knowledge that C has almost as good a chance to win as A is likely to lead to the expectation among all voters that C is more likely to receive the necessary strategic votes to defeat A than is B. Type 2 voters, then, should vote sincerely for C. On its own, then, the electorate is likely to pare the list of viable candidates down to two, A and C, and if B insists on remaining in the competition, its support should diminish to the point that its vote is incorporated into the category `other' in semi-official summaries of ballot returns.

Now suppose the election is marked by greater uncertainty and that no voter knows much about the preferences of anyone else, aside from knowing that A has an advantage over B and C. In this instance it is difficult to say whether type 2 or 3 voters should vote strategically. B and C each might win if they can convince their voters to be sincere and a reasonable share of their opponent's supporters to be strategic. Indeed, we can now envision a situation in which voters of each type contemplate voting strategically, with candidates no longer arguing over policy but instead preoccupying themselves with manipulating biased or wholly fraudulent polls that attempt to establish one or another as unelectable. In this environment, then, type 2 and 3 voters must somehow find a way to coordinate their actions before we would predict that strategic voting can pare down the list of viable candidates.

The things that facilitate coordination among voters in an established democracy include electoral histories that allow voters to estimate the approximate range of support for one party (or candidate) or another, experience with campaign tactics that allow them to discriminate between potentially successful versus unsuccessful tactics and platforms, and a variety of indirect cues (endorsements from trusted public figures and organizations, newspaper editorials, and public opinion polls with reliable track records) that allow them to estimate the ebb and flow of support as a campaign proceeds (McKelvey and Ordeshook 1985). But in a transitional system, beliefs about relative viability of parties are, almost by definition, less well formed. This is especially true if, in the early stages of party system development, numerous `parties' appear ideologically indistinguishable. Although voters with similar ideological or policy preferences might not care which one of similar ›parties‹ emerges as the primary advocate of their position, actions that strengthen their representation

require something that coordinates them to the same choice. However, it is the absence of that coordinating influence that is characteristic for the post-communist transitional democracies.[7]

Insofar as Duverger's second pillar is concerned -- the consolidation of parties via the incentives that operate on political elites -- if voters can coordinate and if they are more likely to coordinate to a pre-existing party, then there are reduced incentives for new parties to form and compete at ideological positions currently staked out by existing parties. But once it is known that voters cannot coordinate, the motives of political elites are such that entry is encouraged and consolidation discouraged. Suppose there are N ideologically indistinguishable candidates (for president or other office), and suppose each of them, absent effective coordination among voters, anticipates an expected vote of $1/N^{th}$ among those likely to support the corresponding ideology. In addition, owing to the weak, even nonexistent, partisan attachments of voters (Rose 1995), suppose a candidate cannot `deliver' his vote to any specific opponent, so that the only consequence of dropping out is that each of the remaining policy-equivalent candidates anticipates receiving $1/(N\text{-}1)^{th}$ of the total. Thus, aside from avoiding the cost of campaigning, there is little incentive to withdraw: any candidate who remains should pay little if anything for the exiting candidate's withdrawal and endorsement, because all candidates vying for the claim to be the leader of the respective ideological position gain as much from his withdrawal as anyone else. The withdrawal, then, merely generates a public good that in this particular political market is likely to be under supplied. Indeed, rather than provide incentives for consolidation, our scenario encourages the opposite. Absent costly barriers to

[7] Of course, not all democratic transitions exhibit the problem of coordination to the same degree. Loyalties to pre-authoritarian parties or non-political associations can coordinate voters in a new regime (Geddes 1995). But, with respect to the countries in our study, the communist regimes rarely left behind any non-political societal associations of electorally relevant size that could provide alternative means of coordination. Indeed, as is often the case following the destruction of these regimes, new parties are merely splinter groups drawn from some all-encompassing democratic opposition -- groups that better reflect the egos of those who form them than anything else (Jasiewiecz 1993, 1994, Shafir 1995).

entry, new candidates should enter; they are as likely to win as anyone else or are at least as likely to be able to claim championship of the corresponding ideology.[8]

With these ideas as background, we now turn our attention to the more specific issue of why electing a president per se might retard the consolidation of parties and encourage fragmentation. We begin by supposing that a transitional system is endowed with some general potential supply of parties in the form of elites willing to forge political organizations to further their own ends. The magnitude of that supply may depend on things unrelated to political structure (e.g., ethnic heterogeneity, the economy, the availability of a mass media and the cost of campaigning), but suppose this number is greater than what a political system can normally sustain. With the weak or nonexistent partisan attachments that characterize a transitional democracy (Rose 1995), and with few politically relevant societal structures able to either transform themselves into parties or play a coordinating role in campaign and elections, publicly visible personalities become the sole means of coordinating voters at the polls. Moreover, due to the coordination problem on the voters= side, the *a priori* chances of success are non-zero for any such personality. As a consequence, there can be initially many more political aspirants willing to head a party and compete for the singularly important public office of the presidency than the number of parties that would otherwise be sustained on the basis of parliamentary election laws.

The forces muting this `oversupply= are generally attenuated by the barriers to effective strategic voting and by precisely those things thought to encourage consolidation in presidential systems -- the coalitional imperatives of winner-take-all-elections and the centrality of the presidency. Even if a political `player= wants to coalesce with some other competitor to ensure the defeat of ideological opponents or to extract policy commitments, it is useful, perhaps even necessary, to form and head a party beforehand. Even for publicly visible persons, that initial visibility must be given political currency, which in a democracy is votes. But in societies lacking those nonpolitical social organizations, the only way to lay a claim to any of that currency is to head a party in election. However, if at the same time, political power if not outright electoral success lies within the grasp

[8] Notice that since our scenario specifically refers to ideologically similar parties, even relatively numerous permanent societal cleavages, regardless of their strengths, may not serve a coordinating function either. With low cost of entry, the uncertainty of transitional elections may stimulate the over-production of parties that target the same constituency, so that the coordination problem then reappears within population segments.

of most political elites owing to the general uncertainty of things and the corresponding absence of any means of quickly directing effective strategic voting, then no current party leader is likely to sacrifice their position by letting someone else head or otherwise gain too strong a position within their party. So, absent an intra-party coup, even entering the game of coalitional politics at this time may require that one form a party of one's own, regardless of whether that party can hope to win parliamentary seats.

Forming parties as a way to meet presidential aspirations is further encouraged by the `rules of succession= to presidential office. Candidates for president in established democracies typically come from lower rungs on the ladder of political power, such as regional governors and national legislative leaders. But in transitional democracies, there is no such ladder. The constitutional importance and public visibility of the presidency combines with the fact that these other offices either do not exist or their relative impotence renders them ineffective stepping stones to the presidency. Regional political elites such as governors and mayors in the early stages of a transition, even if directly elected, typically have little national visibility since there may be few opportunities to establish oneself as an effective administrator or a champion of reform (with respect to Russia, for example, only two exceptions in the course of six years come to mind: Boris Nemtsov, governor of Nizhny Novgorod oblast, and most recently, Yurii Luzhkov, mayor of Moscow). Newly formed national legislatures, moreover, are typically organized around party factions. The identifiable personalities in them are those who head one of these parties, moreover, anyone who heads a faction is identifiable, regardless of a membership in government coalitions. With legislative leadership conferred only on party leaders, using the legislature to secure the visibility necessary for a run at the presidency requires either prior leadership of some party or the creation of a new party, possibly, by means of disrupting some preexisting party within the legislature. Thus, although the structure of parliamentary elections may influence the extent of party fragmentation and the pace of consolidation, competition for the presidency adds its own weight to the forces that mold the party system. And in the early stages of that development, when other features of democracy such as legislative organizational structure and alternative paths to public visibility are underdeveloped, the weight of the presidency acts to encourage party proliferation.

Notice, though, that even if we accept these explanations for the regression coefficients for *P* reported in Tables 1 and 2, these arguments do not close the door on a number of possibilities

concerning the precise nature of the impact of presidentialism on party fragmentation. For example, although presidential elections might attenuate the consolidating impact of parliamentary election laws so as to yield a general increase in the number of parties, we cannot also preclude the possibility that popular presidentialism in transitions can negate this impact altogether so as to render those laws irrelevant. If the latter is the case, a determination of whether presidential elections `increased' or `decreased' the number of parties will depend on prior expectations and the distribution of cases in our data.

The several theoretical possibilities, all of which are consistent with the regression coefficients in Tables 1 and 2, are portrayed in Figure 1. Briefly, curve A is our benchmark and describes the approximate theoretical relationship observed in established parliamentary democracies between average district magnitude and the number of parties (Ordeshook and Shvetsova 1994). Curve B, which corresponds to the simple additive linear structure assumed by the regressions in Tables 1 and 2, supposes that presidential prospects merely attenuate whatever consolidating influence parliamentary representation rules exert on the number of parties so as to yield a uniform increase in that number. Curves C and D (actually `lines') suppose that the incentives established by presidentialism wholly overwhelm and negate the impact of parliamentary election laws. But where D corresponds to a `natural' limit set lower than what we might expect from extreme forms of proportional representation, line C corresponds to political systems in which presidentialism not only negates the impact of parliamentary election laws, but also encourages a greater number of `parties' (actually, candidacies) than what we would ever anticipate under those laws.

Which curve best describes a transitional democracy depends on how direct election of a president impacts political entrepreneurial decisions. We would expect C or D to better describe the data if parliamentary elections serve primarily to build the political infrastructure for a subsequent presidential race or to demonstrate a party leader's ability to command the loyalty of a sufficient segment of the electorate and thus his right to be `heard' in the next presidential election campaign. The first motivation appears, for instance, to account for General Lebed's participation in Russia's December 1995 parliamentary election, while the second arguably motivated the radical communist candidates in Russia that year who wanted to be certain that the `official' Communist Party presidential candidate, Zyuganov, did not compromise their ideology `merely' to win election. What is common to both motivations, though, is the relative lack of consideration given to winning

legislative seats. Curve B, on the other hand, becomes the better descriptor if the parliamentary election law drives the overall number of parties but more parties exist than we would expect in equilibrium because the incentive to compete for the presidency slows down the process of coalition formation among competing elites.

3. The Empirical Evidence

Before ascertaining which curve best describes the countries in our sample, it is worthwhile to look back at the regressions in Tables 1 and 2 to comment on some patterns here that contrast with earlier analyses. First, consider the last regression reported in each of these tables. Multiplying ln(D) times H, our measure of social (ethnic) heterogeneity (see Appendix), is intended to model the idea that the effects of increased district magnitude on the number of parties are more likely to be felt in socially heterogeneous states than in homogeneous ones. That is, if D is large, then parties that cater to specific minorities have greater incentive to form and less incentive to coalesce with other parties. Elsewhere, in fact, we show that for established democracies (e.g., Canada, the United States, Germany, Finland, England, Australia, Netherlands, Iceland, and so on), this model yields a better fit than does one that merely incorporates H as a linear additive variable or that ignores H altogether (Ordeshook and Shvetsova 1994). But here we see that although the coefficients for Hln(D) are statistically significant (except when our dependent variable concerns the number of parties winning seats), such a model for our complete sample (Table 1) is no better in terms of adjusted R^2 than one that ignores heterogeneity altogether, and is strictly worse when we restrict the analysis to Central Europe (Table 2). There is no indisputable explanation for this pattern, but the most evident hypothesis is that when democratic process is suddenly thrust upon a society, as it was in so many of the countries in our sample, parties designed to `serve' or otherwise take advantage of basic social cleavages coexist with the other parties that form at this time, and that total number greatly surpasses what can be sustained in equilibrium as a product of the combined influence of a polity's electoral laws and social cleavages. Although testing such hypotheses lies beyond the scope of the present analysis, the comparison of our results with earlier studies is consistent with the proposition that it is only in the later stages of a transition that basic social cleavages such as ethnicity receive full play in a society's political process; in the early stages of transition it is the gross characteristics of its political institutions that offer the most relevant (albeit loose) constraint on party proliferation.

It is useful also to compare the overall number of parties and the magnitude of coefficients in our sample of transitional democracies with what is observed in more established democracies. To do this we first recompute our district magnitude variable in accordance with Taagepera and Shugart=s (1989) definition of "effective" district magnitude (*ED*) and run the analogue of the explanatory relationship they provide for `effective' number of parties. Taagepera and Shugart (1989: 144) provide the estimate

$$EN = 2.5 + 1.25\ ln(ED),$$

whereas our sample of countries (with variables accordingly redefined) yields,

$$EN = 3.4 + 1.5\ ln(ED).$$[9]

Thus, both the intercept and the slope is greater in our sample than Taagepera and Shugart's, which suggests that, on average at least, the number of parties in our sample of transitional states is greater and more sensitive to district magnitude than is Taagepera and Shugart's sample. For another comparison with equivalent implications, consider Lijphart's (1990) regime data, which also pertains to established democracies. Regressing `effective' number of parties against the log of average district magnitude yields the equation (see Table 1 in Ordeshook and Shvetsova 1994)

$$EN = 3.24 + .24ln(ADM),$$

whereas our data here yields the equation

$$EN = 5.63 + .29ln(ADM).$$[10]

Once again, then, we see both a greater intercept and steeper slope for our sample of transitional countries.

Turning now to an assessment of which curve in Figure 1 best describes our data for countries with presidential elections, notice that the proper econometric model for distinguishing among curves B, C and D is the following expression:

$$NP = a + b_1P + b_2D + b_3DP.$$[11] (1)

[9] For the definition of >effective= magnitude (*ED*) see Taagapera and Shugart (1989: 135). The coefficients for the Central European subsample (n=28) are 2.7 and 1.7 respectively -- approximately the same intercept as Shugart and Carey=s, but a steeper slope.

[10] Average district magnitude (*ADM*) is computed according to Ordeshook and Shvetsova (1994) definition.

[11] Although the coefficients and R^2's in Table 2 suggest that ln(*D*) rather than *D* gives better fit, ln(*D*)*P* and *P* are collinear ***7*** > .9) and cannot be included in the same equation. *P* and *DP* correlate as well (*r*=.*7*) because of the string of

Thus,

> If direct presidential elections yield a uniform increase in the number of competitors (curve B), then b_1 and b_2, but not b_3, should be positive. But, if the presidency negates the effect of parliamentary election laws (curves C or D) and establishes a uniform number of parties regardless of parliamentary district magnitude, then $b_3 \simeq -b_2$. And in this case, the higher curve, C, is the more appropriate descriptor whenever $a + b_1$ is approximately equal to or greater than $6.9 + .22(25) = 12.4$.[12]

Table 3 gives the estimates for both the full and Central European samples, and the first thing to notice is that b_3, within reasonable statistical bounds, is in fact the negative of b_2 even when b_3 is not statistically significant. Second, $a + b_1$ equals 11.3 if we do not accommodate adjustment districts and equals 10.1 when we do. Thus, although we cannot say that presidentialism yields a uniformly higher level of party fragmentation for especially large district magnitudes, curve C in Figure 1 seems to best describe transitional presidential systems.

The regressions here raise a number of questions that, owing to the limitations of our data, can only be given tentative answers. First, we should ask whether there is any pattern to the residuals in our regressions and, in particular, whether presidential systems are more or less predictable than parliamentary ones. To answer this question and to give a better sense of the meaning of our regression coefficients, their relationship to the curves in Figure 1, and the magnitude of residuals, Figure 2 graphs the first of the regressions in Table 3.[13] Briefly, an examination of residuals reveals

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zeros when $P = 0$. But notice that expression (1) is equivalent to running two separate regressions -- one for each institutional system. If we do that, then, looking ahead a bit at our conclusions, we get (t-statistics in parentheses)

$$N = 11.3\ (10.9) + .12D\ (1.1), \quad \text{adj}R^2 = .02, (n = 19),$$
$$N = 11.0\ (8.7) + .75\ \ln(D)\ (1.1), \quad \text{adj}R^2 = .00, (n = 19)$$

for countries with presidential elections, whereas for purely parliamentary ones we get

$$N = 5.5\ (4.8) + .34D\ (5.1), \quad \text{adj}R^2 = .58, (n = 15),$$
$$N = 4.9\ (4.1) + 2.2\ \ln(D)\ (4.9), \quad \text{adj}R^2 = .55, (n = 15).$$

Thus, as we subsequently argue, we cannot reject the hypothesis that the coefficient for D is zero in presidential systems.

[12] These numbers come from the first regression in Table 1 after setting $P = 0$ and $D = 25$, since 25 is the maximum district magnitude in our sample.

[13] Notice the slight positive slope of the line for presidential systems since in this regression b_2 (= .34) is slightly

a zero correlation between them and *P:* neither presidential nor parliamentary systems are less predictable than the other[14] Nevertheless, Figure 2 does raise the subsidiary question as to whether our conclusions could be influenced by one or two specific countries acting as leverage points. Table 4, then, reports two sets of regressions. In the first, we remove Albania from the analysis (the country that Figure 2 suggests might be a leverage point for parliamentary data), whereas in the second set we consider the possibility that countries with single member district electoral systems are leverage points in general, and we remove all observations in which $D = 1$. Although these exclusions result in a considerable decrease in adjusted R^2, our conclusions about b_1, b_2, and b_3, and the curves that best represent the relationship between the number of parties and *D* remain unchanged.

Next, we should ask whether there is any temporal pattern in the data -- is the number of parties increasing or decreasing over time? Owing to the fact that we have a small number of cases and that any division into subpopulations precludes meaningful statistical comparisons, we can only offer a tentative analysis. Nevertheless, if we take the number of parties with more than one percent of the vote in a parliamentary election and divide that number by *D* in that election, we can compare the number of parties per district seat across elections. More specifically, we make this comparison for a country=s first and most recent (last) parliamentary election. Table 5 gives the results of such a comparison and reveals that it is predominantly presidential systems that witness an increase in the number of parties per district seat.[15] The data in this table should not be interpreted to mean, however, that, with the exceptions of Albania and Latvia, the absolute number of parties increases only in presidential systems, since our calculations here concern `parties **per average seat contested in a district**'. In fact, Table 6, which divides our sample into two time periods, demonstrates that the number of parties with more than one percent of the vote has increased in both systems.

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greater than b_3 (= -.22). However, notice also that if we had instead limited our sample to Central Europe and chosen the `effective number of parties' as our dependent variable, we would see a slightly negatively sloping line.

[14] If we look at residuals more systematically, by identifying observations with studentized residuals in excess of the 2.04 threshold (Belsey, Kuh, and Welsh 1980), all estimated coefficients remain stable with these outliers removed.

[15] Not all countries in our sample are included in this table since several of them have had only one parliamentary election.

The comparison Table 6 offers with respect to `effective' number of parties, though, is perhaps more interesting. Although the absolute number of parties increases in both types of systems, and although there is a corresponding increase in the `effective' number of parties in parliamentary systems, in systems with direct presidential elections there is a **decrease** in the effective' number of parties that accompanies the increase in their absolute number. This decrease, moreover, becomes even more pronounced if we exclude Russia (see numbers in parenthesis) -- the only post-Soviet state in our data set (excepting the Baltics again) with two parliamentary elections. Thus, although the overall number of parties increases, there **is** some evidence of consolidation to the extent that votes in presidential systems appear to concentrate over time on a subset of the parties that compete in parliamentary elections.

We reiterate that any conclusions we might draw from such a table should be accepted only tentatively owing to the small number of cases in our analysis. In fact, that number is too small to allow us to conclude that any of the differences reported here are statistically significant. Nevertheless, such observation should be taken seriously in that it suggests an interesting difference in the temporal dynamics of presidential and parliamentary systems. Specifically, it suggests that consolidation should be thought of as a multidimensional concept that takes into account both the absolute number of parties and the concentration of votes across them, without combining them in any single uninformative synthetic measure. Direct presidential elections may indeed encourage the proliferation of formally organized parties, but they also appear to encourage some concentration of votes on a smaller subset of parties than when only parliamentary elections are held in a country. Following the logic described earlier, proliferation is encouraged in a presidential system since forming and heading parties provides presidential aspirants with the clearest path to that office and to the national political visibility in a transitional democracy. But at the same time, voters= coordination is of greater value in the winner-take-all environments, such as when presidential elections are a part of a general electoral system. And some, albeit modest, degree of strategic voting seem to develop when parties offer less than reliable strategic leadership to their constituencies and cannot be fully trusted in campaigns. This leads if not to explicit coalition formation, then to the `washing out= of parties that are less successful in previous contests so as to reduce their `effective' number.

As an additional check on these conclusions, Table 7 reports three pairs of numbers that contrast presidential and parliamentary systems. The first column of data gives the average number of registered parties, the second gives the overall average `effective' number of parties, the third column--the average percentage of parties the get at least 1 percent of the vote but no parliamentary seats, and the last column gives the average percentage of `wasted votes' -- vote going to parties that win no seats. The story each of these columns tells is consistent with the supposition that the greater fragmentation of parties in presidential systems can be attributed to the incentive to form a party merely to support one's presidential aspirations rather than win parliamentary seats. As Table 7 shows, systems where presidents are directly elected not only have, on average, more parties than the purely parliamentary ones, they have fewer `significant' parties that capture parliamentary seats.

4. Conclusions

Despite presidentialism's poor record with respect to political stability, many transitional democracies will insist on this governmental form. Some will argue that a purely parliamentary government cannot efficiently direct a simultaneous transition to democracy and a market economy. Others will adopt this form merely because some tank commander followed a president's orders rather than parliament's (as in Russia in 1993). And still others will move to this form because, as in Belarus, a national referendum on the issue was manipulated by a sitting president to serve his own purposes. But if arguments over which form of government is best are unlikely to influence choices, one could, at least, look for influences capable of alleviating the disturbing propensity of direct presidential elections to boost political fragmentation during transitions.

The observations we offer in this essay, tentative as they might be, provide some suggestions for institutional design along these lines. We can begin by noting that the problem with combining presidentialism and extreme multipartism derives in part from the difficulty of sustaining a legislative majority that can pass a president=s programs or offer constructive revisions without engaging in a destructive struggle for power (Jones 1995, Mainwaring 1990). We suspect, though, that the problem is not multipartism per se, but rather that, absent a coherent party system, the electoral fates of presidents and legislators are insufficiently interdependent. And this is while in stable democracies, both parliamentary and presidential, there exists a symbiotic relationship between an elected president and a major parliamentary party -- a relationship in which members of one branch of government has

an incentive to see members of the other branch operate with some minimal level of efficiency and success.[16] However, a democracy will be less endowed with these incentives to the extent that direct presidential elections encourage the formation of parties that have only a marginal interest in winning legislative seats because they exist primarily to facilitate individual presidential ambitions. And it is this under-endowment that too easily characterizes a transitional presidential democracy.

Several institutional parameters contribute to this circumstance. First, the constitutions of several states in our analysis (Bulgaria, Romania, Lithuania, and Estonia) all require that presidents suspend their partisanship during their terms of office, while Russian election law prohibits the president (or any other elected official not running for office) from campaigning on behalf of or endorsing a party. Such rules might be appropriate for a society in which the president plays the role of monarch or czar. But they are dysfunctional when a president is merely a temporarily elected public official who must contemplate or assist putting together majority coalitions in parliament that would approve his programs and who must subject himself to the rigors of an election campaign if he wishes to extend his term of office. Constitutional or legal provisions that bar presidents from party politics must necessarily impede party consolidation.

Second, all of the presidential systems in our analysis elect presidents using majority rule with a runoff. The argument for choosing this rule over simple plurality rule is the fear that plurality rule will elect someone with too small share of the vote to confer legitimacy on the victory. The problem with this argument, though, is that by artificially manufacturing majorities (on a second ballot), we enhance the likelihood that no one will secure a majority on the first ballot. Runoffs encourage party fragmentation and the formation of `parties' whose primary goal is to exert influence prior to the second round of voting. We suspect, in fact, that the best way to ensure a majority winner is to avoid explicitly imposing such a requirement on the outcome.

Third, only Bulgaria makes provision for a vice president. Despite the instinct to deride this seemingly inherently impotent office, the choice of a vice presidential running mate can facilitate the building of electoral coalitions both across parties and across branches of government. The office may be impotent in terms of exerting power as in many cases might be the presidency itself, but, if the

[16] For an elaboration of this argument in the context of ensuring stable federal relations see Ordeshook and Shvetsova (1997).

history of the United States is any guide, its existence can provide presidential candidates with an important bargaining chip for engineering electoral coalitions that meld parties formed around specific personalities.

The arguments others offer about the arrangements most destructive of stability under presidentialism, if not explicitly supported by our analysis, are at least not inconsistent with it. Mainwaring (1990) and Shugart and Carey (1992), in particular, focus on the timing of elections and the extent to which parliamentary election rules themselves encourage party fragmentation. Of course, it might seem that our analysis contradicts both parts of this argument since we find that in our sample at least, party fragmentation is greater when elections are simultaneous, and since curve C in Figure 1, which suggests the near-irrelevance of *D* in presidential systems, best summarizes our data. With respect to the issue of simultaneity, we should, of course, keep in mind that parameter estimates here are not statistically different; nor can we exclude the possibility that the influence of simultaneity requires more than one election cycle. More generally, it may be a combination of things that renders any one thing such as district magnitude seemingly irrelevant in a comparative statistical analysis. There is no reason to suppose, then, that our findings about the near `irrelevance of *D*' would be sustained in other institutional environments such as one that allowed for simultaneous presidential and parliamentary elections, that elected presidents using simple plurality rule, or that made accommodation for the office of vice president.

We can, of course, continue to speculate about other alternative institutional configurations for presidentialism, but doing so takes us far beyond the limits of our analysis and the conclusions we can legitimately draw from it. It is sufficient merely to note that, as an addendum to Mainwaring=s, and Shugart and Carey=s findings about the arrangements most likely to yield political instability under presidentialism that direct election itself, at least in the especially vulnerable transition to democracy, can have its own, independent effect on party factionalism, and that designing a stable presidential system requires taking this independent effect into account and finding ways to circumvent or otherwise mute it.

Independent variables	Dependent variable: N =							
	# parties with > 1% of vote				Effective #of parties			
	1	2	3	4	5	6	7	8

Intercept	6.9 (5.9)*	5.4 (3.7)*	4.5 (2.8)*	5.0 (3.1)*	3.6 (4.4)*	2.5 (2.2)*	1.2 (1.1)	1.6 (1.4)
President (*P*)	3.2 (3.5)*	3.4 (3.9)*	3.2 (3.8)*	3.6 (4.0)*	2.0 (2.6)*	2.2 (2.8)*	2.0 (2.9)*	2.4 (3.2)*
Dis. Magnitude (*D*)	0.2 (2.9)*	0.3 (3.1)*	-	-	0.1 (2.1)*	0.2 (2.3)*	-	-
Ln(*D*)	-	-	2.1 (3.3)*	-	-	-	1.6 (4.1)*	-
Adjust. District	-	2.6 (2.7)*	2.6 (2.7)*	2.9 (2.8)*	-	1.9 (1.7)	2.3 (2.6)*	2.5 (2.4)*
*H**ln(*D*)	-	-	-	1.1 (3.1)*	-	-	-	0.8 (3.1)*
Adjusted R^2	.36	.42	.41	.41	.19	.23	.32	.32

Table 1: Some simple linear models; Full Sample (*n* = 34; t-statistics in parenthesis)

Independent variables	Dependent variable: N =							
	# parties with > 1% of vote				Effective # of parties			
	9	10	11	12	13	14	15	16
Intercept	6.2 (5.1)*	4.2 (2.9)*	2.4 (2.5)*	3.6 (3.4)*	3.8 (4.2)*	2.2 (1.7)	0.7 (0.7)	0.8 (0.8)
President (*P*)	2.9 (3.1)*	3.4 (3.9)*	2.3 (3.5)*	3.4 (4.5)*	2.0 (2.1)*	2.3 (2.6)*	1.8 (2.3)*	2.5 (3.4)*
Dis. magnitude (*D*)	0.3 (3.5)*	0.4 (3.9)*	-	-	0.1 (1.6)	0.2 (2.1)*	-	-
Ln(*D*)	-	-	3.0 (8.4)*	-	-	-	1.7 (3.7)*	-
Adjust. district	-	3.3 (3.8)*	3.5 (5.1)*	3.8 (4.9)*	-	2.5 (2.2)*	2.8 (2.9)*	3.3 (3.3)*
*H**ln(*D*)	-	-	-	1.5 (6.1)*	-	-	-	1.0 (4.3)*
Adjusted R^2	.44	.58	.64	.58	.14	.25	.35	.42

Table 2: Some simple linear models; Central European countries only (*n* = 28)

Independent variables	Dependent variable: N =							
	# parties with > 1% of vote				Effective # of parties			
	full sample		Central Europe only		full sample		Central Europe only	
	17	18	19	20	21	22	23	24
Intercept (a)	5.5* (4.8)	3.1* (3.1)	5.5* (4.8)	2.6* (2.6)	2.7* (5.0)	1.1 (1.1)	2.7* (5.0)	0.4 (0.4)
P (b_1)	5.8* (3.8)	7.0* (5.4)	5.2* (2.7)	7.0* (4.6)	3.6* (2.8)	4.4* (3.0)	5.0* (3.4)	6.5* (4.6)
D (b_2)	.34* (5.1)	.46* (8.0)	.34* (5.1)	.49* (8.7)	.20* (4.6)	.28* (4.6)	.20* (4.6)	.32* (5.1)
PD (b_3)	-.22 (-1.8)	-.29* (-2.4)	-.21 (-1.3)	-.32* (-2.2)	-.13 (-1.3)	-.18 (-1.6)	-.28* (-2.7)	-.37* (-3.4)
Adjustment district	-	3.3* (4.7)	-	3.9* (6.2)	-	2.3* (2.1)	-	3.2* (3.5)
adj. R^2	.40	.50	.46	.67	.20	.27	.23	.42

Table 3: Regressions conforming to expression (1), t-statistics in parenthesis

Independent variables	Dependent variable: N =			
	Without Albania, n=31		Without SMD electoral systems, n=29	
	# parties with > 1% of vote	Effective # of parties	# parties with > 1% of vote	Effective # of parties
	25	26	27	28
Intercept (a)	4.0* (2.0)	1.8 (1.3)	3.5 (1.7)	1.0 (0.8)
P (b_1)	6.2* (3.0)	3.5* (2.1)	6.1* (2.8)	5.2* (3.0)
D (b_2)	.41* (3.6)	.24* (2.8)	.44* (3.9)	.28* (3.4)
PD (b_3)	-.24 (-1.6)	-.13 (-1.0)	-.24 (-1.4)	-.23 (-1.7)
Adjustment district	3.2* (4.0)	2.7* (2.1)	3.9* (5.1)	3.7* (4.1)
adj. R^2	.29	.11	.32	.20

Table 4: Estimates of the model in expression 1 with possible leverage points removed (t-statistics in parentheses)

	Countries with direct presidential elections	Countries without Direct presidential election
Countries in which N/D increases, i.e., $(N/D)_{last}$-$(N/D)_{first} > 0$	Bulgaria Lithuania Poland Romania Russia	Albania Latvia
Countries in which N/D decreases, i.e., $(N/D)_{last}$-$(N/D)_{first} < 0$	Slovenia	Czech Republic Slovak Republic Estonia Hungary

Table 5: Comparison of First and Last Elections

	Countries with direct Presidential elections			Countries without direct Presidential elections		
	Average # Parties with > 1% of the vote	Average `effective' # parties	# cases	Average # Parties with > 1% of the vote	Average `effective' # parties	# cases
1990-93	11.9 (12.0)	7.4 (7.3)	10	8.8	4.6	9
1994-96	13.4 (12.3)	6.8 (6.0)	5	10.8	5.8	6

Table 6: Average number of parties for two time periods

	# registered parties	# effective parties	% parties with > 1% of vote but no seats	% vote `wasted'
Countries with direct presidential elections	39.6	7.1	5.7	21.6
Countries without direct presidential elections	20.3	5.1	3.7	11.8

Table 7: Some comparisons between presidential and parliamentary systems

Appendix:

Elections in Centeral and Eastern Europe

Country	Elections
Albania	1991
Albania	1992
Albania	1996
Bulgaria	1990
Bulgaria	1991
Bulgaria	1994
Czech[17]	1990
Czech	1992
Czech	1996
Estonia	1992
Estonia	1995
Hungary	1990
Hungary	1994
Latvia	1993
Latvia	1995
Lithuania	1992
Lithuania	1996
Poland	1991
Poland	1993
Romania	1990
Romania	1992
Romania	1996
Slovakia	1990
Slovakia	1992
Slovakia	1994
Slovenia	1990
Slovenia	1992
Slovenia	1996
Russia	1993
Russia	1995
Moldova	1994
Ukraine	1994
Armenia	1995
Georgia	1995

17 The 1990 Czech and Slovak election datat are for the Chambers of the People, while the 1992 data are for the National Councils.

Variable Definitions

Dependent variable: Because we seek institutional explanations of the shape of developing party systems, our dependent variable is the number of political parties that are at least somewhat electorally successful. In the case of Ukraine in 1994, we estimate the vote cast for parties on the basis of party affiliation since no official data on party vote shares exists. Votes cast for independent candidates are ignored. However, there is more than one way to calculate this number. Rae (1971), Taagepera and Shugart (1989), and Lijphart (1994) all use the `effective number' of parties, equal to the inverse of the sum of squared vote shares (or seat shares) of individual parties. The intuition behind such a measure is that not all parties should count equally; in particular, the weaker ones should count as less than a full party because of their low political influence. But it is possible that winning a single legislative seat or merely becoming visible during a parliamentary contest may be a sufficient motivation for a party's formation. Thus, we could also simply count the number of parties on the ballot regardless of their level of support. In the extreme, though, this approach may merely measure the relative ease of registering a party. As a compromise, we focus on parties that receive at least 1% of the total vote.

Independent variables: The mode of presidential selection: In all cases considered, a country's constitution states whether a president is to be directly or indirectly elected. But some exceptions were made for the first election. For example, although Estonian presidents are to be elected by parliament, the president in 1993 was elected directly, so we record Estonia in 1993 (but not in 1995) as a country with direct presidential elections. Also, even though the president at the time of the 1991 elections in Bulgaria was elected by parliament, direct elections lay only a few months in the future. Thus, we code the 1991 Bulgarian data as the one with a directly elected president. We code Moldova as presidential even though its first presidential election was non-competitive. The mode of presidential selection is a zero-one variable, which is 1 if the president is directly elected, and 0 if the president is elected by the parliament or if there is no president. *District magnitude* is a variable set equal either to the average magnitude of a primary electoral district (ADM) (the average number of seats awarded per electoral district) or to the inverse of the legal

threshold, T, for parliamentary representation. The criterion of what component is binding is based on how much the parameter restricts the maximum feasible number of parties. Our district magnitude variable *D*, then, is defined as *D* = min {ADM, 100%/T }. For two-ballot systems our data are limited to the party list PR portion of the ballot, since complete partisan data do not exist in most cases for single-member district races. Thus, average magnitude of a primary district is the average number of seats in a PR district, with the number of single-member districts not included in the calculation. An exception was made for Armenia and Albania, where single-member districts dominate the electoral system and a small PR component is little more than an adjustment district. When we address the impact of the single-member district component on multipartism (footnote 4), it is found to have an insignificant negative effect, while the significance of our other variables is not diminished. Some regressions also consider the *ln(D)* to accommodate the argument of a marginally diminishing impact of increased district magnitude (Sartori 1976) and to render our analysis consistent with earlier studies (see, for instance, Taagapera and Shugart, 1989, Ordeshook and Shvetsova 1994).

Adjustment districts: This is another zero-one variable, which takes the value of 1 if *additional* seats are provided nationally for allocation among the under-represented parties as in Hungary. If no national adjustment district exists, this variable is set at 0.

Ethnic Heterogeneity: This variable is computed the same way as `effective number of parties' except that here we use each country's corresponding ethnic composition.

Data Sources

Our electoral statistics and descriptions of election systems come from a variety of sources. Specifically: Report of the State Commission of National Elections of Albania (unpublished), April 1992; Stephen Ashley "Bulgaria." *Electoral Studies* (1990) 9(4):312-8; Adolf Bibic, AThe Emergence of Pluralism in Slovenia,@ *Communist and Post- Communist Studies,* (December 1993), 26(4):367-86; Brokl Lubomir and Zdenka Mansfeldova, ACzechoslovakia@, *European Journal of Political Research* (1993) 24: 397-410; Bulletin of Electoral Statistics, Poland, *East European Politics and Societies*, (1993) 7(3): 569-76; Henry Carey, AIrregularities or Rigging: the 1992 Romanian Parliamentary Elections,@ *East European*

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